

FRANKLIN B. GOWDY (SBN 47918)  
 MICHAEL J. LAWSON (SBN 66547)  
 JOSEPH E. FLOREN (SBN 168292)  
 BENJAMIN P. SMITH (SBN 197551)  
 MORGAN, LEWIS & BOCKIUS LLP  
 One Market, Spear Street Tower  
 San Francisco, CA 94105-1126  
 Tel: 415.442.1000  
 Fax: 415.442.1001  
 E-mail: fgowdy@morganlewis.com  
 michael.lawson@morganlewis.com  
 jfloren@morganlewis.com  
 bpsmith@morganlewis.com

Attorneys for Defendants KLA-Tencor Corporation,  
 Edward W. Barnholt, H. Raymond Bingham, Robert  
 J. Boehlke, Robert T. Bond, Richard J. Elkus, Jr.,  
 Jeffrey L. Hall, Stephen P. Kaufman, Michael E.  
 Marks, Dean O. Morton, Lida Urbanek and Richard  
 P. Wallace

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA – SAN FRANCISCO DIVISION

IN RE KLA-TENCOR CORPORATION  
 SECURITIES LITIGATION

Master Case No. C 06-04065 MJJ

CLASS ACTION

THIS DOCUMENT RELATES TO:  
 ALL ACTIONS

**STIPULATION AND ~~PROPOSED~~  
 ORDER REGARDING BRIEFING  
 SCHEDULE FOR DEFENDANTS' REPLY  
 MEMORANDA ON MOTIONS TO  
 DISMISS**

Co-Lead Plaintiffs Police and Fire Retirement System of the City of Detroit, the Louisiana  
 Municipal Police Employees' Retirement System, and The City of Philadelphia Board of  
 Pensions and Retirement (collectively, "Co-Lead Plaintiffs") and Defendants KLA-Tencor  
 Corporation ("KLA-Tencor"), Edward W. Barnholt, H. Raymond Bingham, Robert J. Boehlke,  
 Robert T. Bond, Gary E. Dickerson, Richard J. Elkus, Jr., Jeffrey L. Hall, Stephen P. Kaufman,  
 John H. Kispert, Kenneth Levy, Michael E. Marks, Dean O. Morton, Stuart J. Nichols, Kenneth

1 L. Schroeder, Jon D. Tompkins, Lida Urbanek and Richard P. Wallace (the "Individual  
2 Defendants" and, together with KLA-Tencor, "Defendants"), by and through their undersigned  
3 counsel of record, hereby stipulate and agree, subject to court approval, as follows:

4 WHEREAS, this action was filed on June 29, 2006 and, following the appointment of Co-  
5 Lead Plaintiffs and an Executive Committee and Co-Lead Plaintiffs' Counsel under the Private  
6 Securities Litigation Reform Act of 1995 ("PSLRA"), Co-Lead Plaintiffs filed their Consolidated  
7 Class Action Complaint (the "Consolidated Complaint") on March 6, 2007,

8 WHEREAS, Defendants filed a total of seven separate Motions to Dismiss the Complaint  
9 under the PSLRA, Rule 12 of the Federal Rules of Civil Procedure, and other applicable law  
10 setting forth Defendants' position that there are serious defects in the Consolidated Complaint  
11 raising substantial legal issues including pleading of scienter, loss causation, materiality of the  
12 alleged misstatements, and statutes of limitations, among others, and such motions are set for  
13 hearing on October 31, 2007,

14 WHEREAS, on September 8, 2007, Co-Lead Plaintiffs filed a consolidated Memorandum  
15 in Opposition to Defendants' Motion to Dismiss, setting forth in 137 pages of briefing (not  
16 including tables and supporting material) their position that there are no defects in the  
17 Consolidated Complaint and that Defendants' Motions to Dismiss should be denied as to the  
18 issues raised, including pleading of scienter, loss causation, materiality of the alleged  
19 misstatements, and statutes of limitations, among others,

20 WHEREAS, Co-Lead Plaintiffs and Defendants attended mediation of this dispute on  
21 August 8, 9, and 10, 2007, coordinated with the mediation of a separate shareholder derivative  
22 lawsuit also pending in this Court arising out of the same facts (*In re KLA-Tencor Corp.*  
23 *Shareholder Derivative Litig.*, N.D. Cal. Case No. C-06-03445-JW) with mediator Jonathan B.  
24 Marks of Marks ADR, LLC,

25 WHEREAS, following the mediation sessions in August 2007, the parties have continued  
26 to engage in settlement discussions with the assistance of the mediator, including additional  
27 mediation on September 18 and 19, 2007, and settlement discussions are presently active and  
28 ongoing,

WHEREAS, Defendants' Reply Memoranda on their Motions to Dismiss are currently due on September 28, 2007,

WHEREAS, in order to continue to focus their time and effort on the ongoing mediation discussions, and in light of the length of the briefs and number of issues involved in the Motions to Dismiss, Defendants requested, and Co-Lead Plaintiffs agree that Defendants should be permitted to file their Reply briefs on the Motions to Dismiss by no later than October 12, 2007,

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned counsel for all parties, as follows:

1. Defendants, and each of them, shall file their Reply Memoranda in Further Support of their Rule 12 motions no later than October 12, 2007.

**IT IS SO STIPULATED.**

DATED: September 21, 2007

MORGAN, LEWIS & BOCKIUS LLP

By: /s/  
Joseph E. Floren

**Attorneys for Defendants KLA-Tencor Corporation, Edward W. Barnholt, H. Raymond Bingham, Robert J. Boehlke, Robert T. Bond, Richard J. Elkus, Jr., Jeffrey L. Hall, Stephen P. Kaufman, Michael E. Marks, Dean O. Morton, Lida Urbanek and Richard P. Wallace**

I, Joseph E. Floren, am the ECF User whose ID and password are being used to file this STIPULATION AND [PROPOSED] ORDER. In compliance with General Order 45, X.B., I hereby attest that each of the 7 signatories identified below has concurred in this filing.

DATED: September 21, 2007

**BERMAN DEVALERIO PEASE TABACCO  
BURT & PUCILLO  
JOSEPH J. TABACCO, JR.  
CHRISTOPHER T. HEFFELFINGER  
NICOLE LAVALEE  
LESLEY HALE**

By: /s/  
Nicole Lavalée

425 California Street, Suite 2100  
San Francisco, CA 94104-2205  
Telephone: (415) 433-3200  
Facsimile: (415) 433-6382

**Plaintiffs' Executive Committee and Liaison Counsel**

**KOHN, SWIFT & GRAF, P.C.**

Denis F. Sheils  
Joseph C. Kohn  
William E. Hoese  
One South Broad Street, Suite 2100  
Philadelphia, PA 19107  
Telephone: (215) 238-1700  
Facsimile: (215) 238-1968  
Email: dsheils@koh Swift.com  
Email: jkohn@koh Swift.com  
Email: whoese@koh Swift.com

**BERGER & MONTAGUE, P.C.**

Sherrie R. Savett  
Douglas M. Risen  
1622 Locust Street  
Philadelphia, PA 19103  
Telephone: (215) 875-3000  
Facsimile: (215) 875-4604  
Email: ssavett@bm.net  
Email: drisen@bm.net

**TRUJILLO RODRIGUEZ & RICHARDS LLC**

Kenneth I. Trujillo  
Ira Neil Richards  
Kathryn C. Harr  
1717 Arch Street, Suite 3838  
Philadelphia, PA 19103  
Telephone: (215) 731-9004  
Facsimile: (215) 731-9044  
Email: KITrujillo@trrlaw.com  
Email: ira@trrlaw.com  
Email: kharr@trrlaw.com

**Plaintiffs' Executive Committee**

**ORRICK, HERRINGTON & SUTCLIFFE**  
WALTER F. BROWN, JR.  
ROBERT P. VARIAN

By:                     /s/                      
Robert P. Varian

405 Howard Street  
San Francisco, CA 94105  
Tel. 415-773-5700  
Fax: 415-773-5759

**Attorneys for Defendant Gary Dickerson**

DATED: September 21, 2007

By: /s/  
Jeffrey S. Facter

**Attorneys for Defendant Kenneth Levy**

By:                     /s/                      
Mark A. Belnick

**CHRISTOPHER D. KERCHER** (*pro hac vice*)  
**AKIN GUMP STRAUSS HAUER & FELD LLP**  
 590 Madison Avenue  
 New York, NY 10022  
 Tel 212-872-1000

**STEVEN S. KAUFHOLD**  
**AKIN GUMP STRAUSS HAUER & FELD LLP**  
580 California Street, 15th Floor  
San Francisco, CA 94104  
Tel: 415-765-9500  
Fax: 415-765-9501

**Attorneys for Defendant Stuart J. Nichols**

1 DATED: September 21, 2007

**DLA PIPER US LLP**  
SHIRLI FABBRI WEISS  
DAVID A. PRIEBE

2 By: /s/  
3 David A. Priebe

4 2000 University Avenue  
5 East Palo Alto, California 94303  
6 Telephone: (650) 833-2056  
7 Facsimile : (650) 833-2001

8 **Attorneys for Defendant Kenneth L. Schroeder**

9  
10 DATED: September 21, 2007

**HELLER EHRMAN LLP**  
MICHAEL J. SHEPARD  
WARRINGTON S. PARKER, III

11 By: /s/  
12 Michael J. Shepard

13 333 Bush Street  
14 San Francisco, CA 94104  
15 Telephone: (415) 772-6000  
16 Facsimile: (415) 772-6268

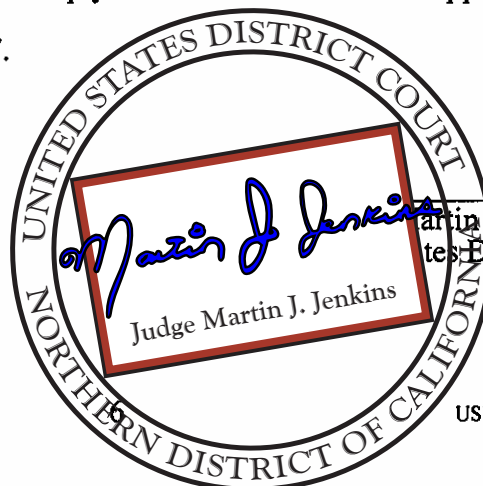
17 **Attorneys for Defendant Jon D. Tompkins**

18  
19 **ORDER**

20  
21 **PURSUANT TO STIPULATION, AND GOOD CAUSE APPEARING, THE**  
22 **COURT ORDERS:**

23 1. Defendants shall file their Reply Memoranda in Further Support of their 12(b)  
24 motions no later than October 12, 2007.

25  
26 Dated: September 28, 2007



Martin J. Jenkins  
District Judge

STIP AND [PRPD] ORDER RE BRIEFING SCHEDULE  
FOR DEFENDANTS' REPLY MEMORANDA ON  
MOTIONS TO DISMISS